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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## Continuing Education Article February, 2003

Subject: Amended Returns, the Form 133 Petition for Correction of Error,  
and Personal Property Tax Assessments

Indiana Code 6-1.1-3-7.5 allows a taxpayer to file an amended personal property tax return within six months of the filing date of the original personal property tax return (November 15<sup>th</sup>) or six months from the allowed extension date of the original personal property tax return (should not be go beyond December 14<sup>th</sup>).

Indiana Code 6-1.1-15-12 addresses how a taxpayer may or may not petition for the correction of errors made on personal property tax returns. The Form 133 Petition for Correction of Error is the proper form used to correct these errors and must be filed within three (3) years from the date that the taxes were first due. Changes were made to this law with the passage of Public Law 198-2001(IC 6-1.1-15-12(g)). Beginning with the assessment date of March 1, 2002, a taxpayer may not file a Form 133 to correct errors made on that personal property return. The taxpayer must instead file an amended return within the six-month timeframe mentioned above. For assessment dates prior to March 1, 2002, the three-year (or six tax payments) rule would apply in determining which assessment dates would be eligible for a taxpayer to petition for the correction of error; therefore the use of the Form 133 for correcting personal property assessments is slowly being phased out.

Both of these statutes have a common function, which is to give the taxpayer an opportunity to change the Assessed Value of their personal property on an assessment date; however, the rules that apply to each of these methods are quite different. The purpose of this article is to clarify those differences.

### AMENDED RETURNS:

The right for a taxpayer to file an amended return officially began with the assessment date of March 1, 1999. Prior to March 1, 2002 if a taxpayer failed to claim an exemption on the original personal property tax return, the exemption was forever lost. Effective with the March 1, 2002 assessment date, a taxpayer may claim on an amended return any adjustment or exemption that would have been allowable if claimed on the taxpayer's original personal property tax return.

## Amended Returns and the Form 133 (Continued)

The statutes do not define the meaning of an “original personal property tax return” so our agency has established its meaning as being a return filed with the proper assessing official by the filing date or the approved extended filing date, if an extension was granted. This means that if a taxpayer fails to file a timely personal property tax return, the privilege to amend that return has been lost.

Indiana Code 6-1.1-11-1 addresses the “Waiver of Exemption”. This code states, “An exemption is a privilege, which may be waived by a person who owns tangible property that would qualify for the exemption. If the owner does not comply with the statutory procedures for obtaining an exemption, he waives the exemption. If the exemption is waived, the property is subject to taxation.”

By not filing a timely personal property tax return, the taxpayer has not complied with the statutory procedures and has waived his rights to both the filing of an amended return and the claiming of an exemption on that late personal property tax return. An assessing official, upon receipt of this type of a late personal property tax return, should disallow all exemptions claimed since the statutory procedures were not followed. Notification of the change in assessed value would be necessary. Please note that if your county has adopted an ordinance concerning the 100% Inventory Deduction for March 1, 2003, any inventory that did not qualify for the exemption would automatically qualify for this deduction which applies to all assessable inventory.

Upon receipt of an amended return, the Township Assessor must report the new assessed value to the County Auditor. If the Township Assessor finds that the amended return contains errors or is questionable, the assessor must make a change and give notice to the taxpayer on the Form 113/PP within four months of the filing date of the amended return. (IC 6-1.1-16-1)

### FORM 133 - PETITION FOR CORRECTION OF AN ERROR:

The use of the Form 133 was the method utilized by taxpayers to correct personal property assessments prior to March 1, 2002. The form is filed with the County Auditor and the taxpayer was allowed to file this petition within three (3) years from the date that the taxes were first due on the assessment in question. The use of the Form 133, to correct personal property assessments, is no longer permitted beginning with the March 1, 2002 assessment date. For assessment dates prior to March 1, 2002, the processing procedures have not changed.

The Petition for Correction of Error does have its differences though when compared to the amended return procedures. Only specific types of errors are correctable. The types of errors that were allowed on the Form 133 include a mathematical error in computing the assessment, the taxes as a matter of law were illegal, and through an error or omission by any state or county officer the taxpayer was not given credit for an exemption or deduction permitted by law. To claim or increase an exemption through the use of the Form 133 would not be proper and should be denied.